

IRS News Release

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E-filing Continues Surge with 10 Percent Jump

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WASHINGTON — The Internal Revenue Service announced today that electronic filing continues to show a strong increase, with e-filed tax returns running more than 10 percent ahead of last year. The biggest increase is being seen in home computer use, which is up 23 percent.

“People are filing electronically in record numbers,” said IRS Commissioner Mark W. Everson. “We are committed to using technology to make tax filing easier, including filing electronically and using services available on IRS.gov.”

Through March 5, 37.1 million returns were e-filed, more than 3.4 million ahead of last year’s pace.

The IRS also reminds taxpayers to double-check their Child Tax Credit before filing. So far, the IRS has corrected more than 1.3 million returns this year because of errors related to the Child Tax Credit.

The most frequent mistake: more than 900,000 failures to subtract last year’s advance payment from the credit amount. Those who cannot recall how much their advance payment check was can easily check the IRS Web site for the amount. Another 450,000 returns reflected incorrect calculations of this tax credit.

Taxpayers can find their advance payment amount on IRS Notice 1319, which they should have received just before the checks. Those who do not have this notice can easily get the amount through IRS.gov or by calling the toll-free IRS help line, 1-800-829-1040.

Last year’s payments were an advance on the credit’s increase for 2003, when the maximum per-child amount rose from \$600 to \$1,000.

Taxpayers must put the amount of their advance payment check on line 2 of their Child Tax Credit Worksheet. Taxpayers use this worksheet, found in the instructions for Forms 1040 and 1040A or in IRS Publication 972, to figure the amount of credit they can claim on their 2003 tax returns.

Taxpayers claiming the Child Tax Credit who did not receive an advance payment will get their entire benefit from the credit on their returns. Taxpayers whose advance payment was larger than the amount of their credit will not have to repay the difference and will not claim any Child Tax Credit on their 2003 returns.

If the advance payment was reduced because of past-due taxes or certain non-tax debts, the taxpayer must use the full advance amount – before offset – in the worksheet. This is because the person received the benefit of the advance payment amount that was used to pay the past-due amount.

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2004 FILING SEASON STATISTICS

Cumulative through the week ending 3/7/03 and 3/5/04

	<u>2003</u>	<u>2004</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	54,267,000	55,493,000	2.3
Total Processed	47,346,000	49,853,000	5.3
E-filing Receipts:			
TOTAL	33,704,000	37,124,000	10.1
TeleFile (phone)	2,914,000	2,713,000	- 6.9
Computer	30,790,000	34,411,000	11.8
Tax Professionals	23,866,000	25,880,000	8.4
Self-prepared	6,924,000	8,531,000	23.2
Tax Year 2003 Refunds Certified:			
Number	43,250,000	45,953,000	6.3
Amount of principal	\$ 90.341 billion	\$ 100.257 billion	11.0
Average refund	\$2,089	\$2,182	4.4
Direct Deposit Refunds:			
Number	28,236,000	31,158,000	10.3
Amount	\$ 68.658 billion	\$ 78.020 billion	13.6
Average	\$2,432	\$2,504	3.0